

**MANAGED RISK MEDICAL INSURANCE BOARD**  
**Healthy Families Program Advisory Panel Summary**  
**Meeting of November 9, 2004**  
**Sacramento, California**

Members Present: Jack Campana, Heather Bonser-Bishop, Ellen Beck, MD, Margaret Jacobs, Jose Carvajal, Martha Jazo-Bajet, RN, MPH, Ronald Diluigi, Steven Tremain, M.D., Santos Cortez, DDS, Leonard Kutnik, M.D., Iantha Thompson, Barbara Clifton-Zarate

Staff Present: Lesley Cummings, Janette Lopez, Sarah Soto-Taylor, Carolyn Tagupa, Mary Watanabe, Laura Gutierrez

### **Introductions**

Jack Campana, Healthy Families Program (HFP) Advisory Panel Chair, opened the meeting by introducing himself and asking Panel members, staff and the audience to introduce themselves.

### **HFP Advisory Panel Vacancies**

Mr. Campana reviewed the vacancies on the HFP Advisory Panel that must be filled by January 2005. The Board is currently accepting applications for the following positions:

- Subscriber Representative
- Subscriber with Special Needs Representative
- Licensed Practicing Dentist Representative
- Health Plan Community Representative
- Education Representative

Mr. Campana added that applications should be submitted by close of business on December 17, 2004. He asked Janette Lopez, Deputy Director of Eligibility, Enrollment and Marketing for MRMIB, to notify the outgoing members that their term was expiring and encourage them to reapply. He added that the Board had received three applications for the Mental Health Provider Representative vacancy and there would be a recommendation made by the next meeting.

Santos Cortez, DDS, thanked Mr. Campana and Lesley Cummings, Director for MRMIB, for providing a model program. He thanked the Panel for the work they had done in the last three years, but added that he would not be reapplying because he is going to be the President of the California Society of Pediatric Dentistry (CSPD). He encouraged the Panel, Delta Dental and the health plans to look further into the sedation of children in the dental office for the completion of dental procedures. He also encouraged HFP to dedicate more resources to prevention. In the long run, prevention will save money and emotional and financial resources. Another issue of concern in pediatric dentistry is providing services under sedation and general anesthesia to those with severe decay or special needs. Most insurance plans do not cover the cost of providing sedation in the dental office. He added that in a past meeting he showed that

doing general anesthesia in the dental office saves money over hospitalization. CSPD is also supporting legislation that would mandate oral health assessments for California school children entering primary school. This legislation will be presented next year through the CSPD and California Dental Associations (CDA). He encouraged the Panel to support mandated dental examinations because it will benefit the children of California.

Mr. Campana thanked Dr. Cortez for the tremendous contribution he made to the Panel and as an advocate for children. Dr. Cortez stated that he would still be available by phone if the Panel had questions for him.

Panel member Ronald Diluigi asked if it would require a change in legislation or in the scope of benefits for general anesthesia to be done in the dental office. Dr. Cortez responded that the first step would be to try to change the scope of benefits. AB 2006 mandates that health insurance provide consideration for payment of costs for general anesthesia in a hospital or accredited surgery center for dental procedures, but this bill left out coverage for anesthesia in a dental office.

Panel member Steven Tremain, M.D. asked if there was any concern about monitoring of recovery in a dental office. Dr. Cortez stated that IV sedation is the method for general anesthesia and it is provided by a trained anesthesiologist and recovery is monitored. He added that it is more effective and efficient than in a hospital. Dr. Tremain expressed concern that the patient would be monitored until full recovery. Dr. Cortez responded that the dental office must have trained staff and an anesthesiologist and the patient would be monitored until full recovery.

Panel member Leonard Kutnik, M.D. asked where Dr. Cortez finds pediatric anesthesiologists because there is a shortage. Dr. Cortez responded that Loma Linda University (LLU) and the University of California Los Angeles (UCLA) are training pediatric anesthesiologists, but the numbers are small. This is a priority and he is hoping that the funding will be expanded. Dr. Cortez added that the anesthesiologists are trained as dentists first and then they have two years of specialty training in general anesthesiology. They are licensed and monitored by the State of California.

Panel member Ellen Beck, MD, added that she would support extending the HFP benefits to include an orthodontic benefit. Dr. Beck asked if an orthodontist could apply for the vacant Dental Representative position. Ms. Cummings responded that an orthodontist could apply, but the Board tries to select someone who has experience with the Program. Since HFP does not have an orthodontic benefit, it is unlikely that an orthodontist would have that experience. Dr. Beck asked for clarification on the requirements for the Mental Health Provider Representative position. Ms. Cummings stated that the Board is concerned about this area and will be looking for someone who can help advise the Board and discuss whether the current approach is effective.

## **Review and Approval of the August 3, 2004 HFP Advisory Panel Meeting Summary**

Michael Lemberg with Maximus requested that the following changes be made to the second paragraph on page six:

“Mr. Lemberg stated that 50% of the members that are disenrolled at AERs are found to be no longer eligible.”

The Panel approved the August 3, 2004 HFP Advisory Panel Meeting Summary with the amendment requested by Mr. Lemberg.

## **Budget Update**

Ms. Cummings stated that there had not been any budget updates since the last Panel meeting and that staff were working on preparing the budget for next year. Dr. Beck asked if she expected huge changes like last year. Ms. Cummings responded that it is difficult to predict because the state is still in an extreme financial situation, but it is the second year under the current administration. She added that their experience will color what they propose this year, so she would be surprised to see major changes.

Mr. Diluigi asked if the Board was expecting anything from the California Performance Review (CPR) Commission. Ms. Cummings responded that the CPR had recommended the eliminations of the Board and the establishment of a department of health purchasing which would include the programs administered by MRMIB. A work group set up by the Secretary of the Health and Human Services Agency (HHS) and chaired by Cliff Allenby, is reviewing the recommendation and is in conversations with the legislature. The work group's sense is that making organizational changes for its own sake is not sensible and they are looking at whether or not it would make sense especially with the Medi-Cal redesign. Ms. Cummings added that the CPR Commission just released a document that stated that major reorganization in health was premature pending developments in the Medi-Cal redesign and other program changes.

Mr. Campana asked if the unspent State Children's Health Insurance Program (SCHIP) dollars that were reverted to the federal government in 2002 through 2004 would effect enrollment. Ms. Cummings responded that when the program began, it did not recognize start up programs, so in the beginning California got a lot of money that it was not able to spend. California has reverted money several times, but is now at a place where spending is equal to allocations or more. She added that California, like many states, is using carryover dollars to fund their programs, but as expenditures are building, there is less money. Ms. Cummings added that there is federal legislation that would allow states to keep some of the money that would be reverted to the Treasury. Currently, the Board is not in a position to spend the money without an expansion such as parents. The Bush administration opposes the legislation, but if it were to pass, the Board would have additional dollars that is unlikely to spend. Whether the legislation passes or not does not effect the Board's ability to enroll children. The concern is about future allocations.

Mr. Campana stated that covering parents had been delayed until 2006. He added that covering parents would reduce workers compensation and address the moral issue of not having so many uninsured Californians. Ms. Cummings responded that the decision to delay the implementation of parents until 2006 was made by the prior administration, but we will have to wait and see what the intent of the current administration is.

Dr. Beck asked what the Board's priorities are and if they include expansion of benefits to parents, orthodontia, mental health, etc. She also asked if there was any value for the Panel to identify funding priorities. Ms. Cummings stated that it would be valuable for the Panel to provide a clear statement of what the group thinks should be the priorities. Dr. Beck requested that this be added as a topic for the next Panel meeting. Ms. Cummings advised the Panel to be mindful of the state's financial situation. Mr. Diluigi stated that the Panel should first look at whether it is willing to advocate the state to put up matching funds and then should expansion occur, list the priorities.

Panel member Heather Bonser-Bishop asked if non-public dollars can be put up for matching funds. Ms. Cummings responded that each time a source of funding is received, it has to go through a process to see if there is any potential conflict from the lender. Ms. Bonser-Bishop asked if community-based organizations could help out. Ms. Cummings stated that it would be very difficult if the money came from a provider, like a hospital, because they would be putting up money to get money. Ms. Bonser-Bishop asked if there were any groups advocating for a greater expansion of what is considered a match. Ms. Cummings responded that there were no non-state people, but it is something the Board could have advocated for in AB 495, but it would have caused a delay in approval. The counties decided to give up county money rather than fight for community money. Ms. Bonser-Bishop asked if it would require a change in legislation. Ms. Cummings responded that it would take legislation, but it could go through the county for outreach. She added that the Board is hoping to get money from the Packard Foundation next year to work on this. Ms. Lopez added that she has received a lot of responses for outreach, but she has not moved forward on it. Dr. Cortez stated that he thought the counties wanted to promote private partnerships. Ms. Cummings responded that it is a federal law and regulation administered by the Inspector General, so it would require a change in law and legislation. She added that it is an area the Board could push if it had the staff resources. Dr. Tremain asked what was preventing the counties from accepting this kind of donation. Ms. Lopez responded that in the state plan amendment for AB 495, the Board had to give assurance that this is not happening. She added that the federal government plans to do audits to see where the money is coming from.

## **Legislative Update**

Ms. Cummings announced that the Board has a new legislative coordinator, Jeanne Brode. She added that Dennis Gilliam had performed the duties of the legislative coordinator while the position was vacant and had prepared the State Legislative Status Report for the Board. Ms. Cummings reviewed the report and highlighted several bills that impact the HFP.

Dr. Kutnik stated that he was surprised that SB2 was defeated by such a narrow margin given the money behind the opposition. Ms. Cummings added that the California Healthcare Foundation had funded implementation for the Board and they are now going to recalibrate their work to give advice on how such a plan would be structured and what they have learned. Their papers should be finalized and available in January 2005.

### **Enrollment, Disenrollment and Single Point of Entry Reports**

Ms. Lopez reviewed the Enrollment, Disenrollment and Single Point of Entry Summary for September 2004. Ms. Lopez also reviewed the enrollment trends as of November 4, 2004. She stated that from January 2002 to December 2002, the average new enrollment was 25,300 children each month. In November 2002, there was a decline in constant growth. In 2003, the transition to Maximus began and in January 2004, the transition to Maximus was complete. New enrollment declined significantly from January 2004 to April 2004 as applications were transitioned and due to a learning curve. In May 2004, there was a huge uptake as everything began to come together and from May 2004 to September 2004, the average new enrollment was 26,681 per month.

Dr. Kutnik stated that it looks like total enrollment has flattened out and that around the middle of 2003, enrollment reached a plateau. He asked what the estimated number of eligible children is and how many are left to reach. Ms. Cummings stated that the number is dynamic and that in 2001, 770,000 children were identified as eligible, but the economy has changed. She added that the California Health Information Service (CHIS) is working on an update that will be available in January 2005. Dr. Kutnik added that it is hard to know where we are going without that number. Ms. Cummings agreed and added that California has been lucky because CHIS provides more accurate data than what most states have.

Mr. Campana asked if there has been a change in the number of applications going to Medi-Cal. Ms. Lopez responded that the percentage of applications going to Medi-Cal has increased with the gateway program. She added that 70% used to go to HFP from gateway, but now most of the applications are going to Medi-Cal or both. Ms. Cummings added that the percentage going to both HFP and Medi-Cal has increased. Mr. Campana stated that he would like to look at why the number of applications forwarded to Medi-Cal has increased at the next meeting and would like to see the trends over the last year. Dr. Kutnik added that he also would like to look at the applications not effected by gateway.

Ms. Bonser-Bishop stated that in the past, approximately 60% of the applications were processed with assistance and now it is around 15%. She asked how many of the applications were being returned and asked if it has gotten worse. Ms. Lopez responded that it is getting worse and Maximus is putting together a chart on incomplete applications. She stated that most applications are incomplete because of income documentation, but many are so incomplete that they are missing even the basics to do a screening. She added that she would present the chart at the next meeting.

Panel member Martha Jazo-Bajet, RN, MPH, asked if the issue of payment has been resolved in regards to the transfer from Rite Aid to Western Union. Ms. Lopez responded that the issue has been resolved and disenrollments for non-payment have decreased.

Panel member Jose Carvajal asked what the average disenrollments were for the same period. Ms. Lopez responded that the chart she would present at the next meeting would have new enrollment plus total enrollment. She added that if retention improves, the total enrollment would increase. Ms. Cummings added that it is not known how many new enrollees are actually new because there is a higher rate of Annual Eligibility Review (AER) disenrollment. Mr. Campana stated that it would help to have disenrollment data and to determine if the state is getting fewer applications. He also stated that the Panel will want to know the effects of higher premiums when they go into effect next year. Ms. Lopez stated that the notices of higher premiums would go out at the beginning of the year.

Dr. Tremain asked why there was an obvious drop in enrollment from March 2004 to April 2004. Ms. Cummings responded that it was due to disenrollments and added that the enrollment data from Maximus has been in flux and during this month there was some clean up. She added that there is a huge clean up of data going on right now and the new enrollment and disenrollment reports will be posted on the MRMIB website in the next few weeks.

### **Administrative Vendor Update**

Ms. Lopez reviewed the Administrative Vendor Performance Report for September 2004. She stated that the Board has heard from the community, advocacy groups and the public regarding the performance of MAXIMUS and so far it seems that Maximus has done things correctly. Many of the problems she has heard about were done by the previous vendor, Electronic Data Systems (EDS). There were a few cases that resulted in a child not being enrolled and in those cases, the Board has paid the medical expenses. MRMIB staff is currently conducting an audit of the toll free number in response to claims that the operators were rude or that a caller was unable to talk to a supervisor. MRMIB staff are listening to recorded conversations and listening to live conversations in English and Spanish. They have found the operators to be courteous. They have found that it is challenging for the operators because there is so much information for them to look at, so Maximus is trying to consolidate the information for the operators into one screen. Ms. Lopez added that they have talked to Maximus about the complaints that callers were not able to talk to a supervisor and Maximus has made changes. Currently, there is someone at MRMIB looking at HFP eligibility to make sure ineligible determinations are accurate. They are also looking at the AER process to make sure there is no unnecessary disenrollment. Dr. Beck asked how the audits were being performed and Ms. Lopez explained the process.

Ms. Jazo-Bajet asked what the process was for a parent who calls the toll free number, but does not speak English. Mr. Lemberg replied that when someone calls in, they are given the option for eleven languages and are transferred to an operator who speaks their language.

Ms. Cummings stated that there was a disconnect between the Health-e-app and the items faxed in, but those problems should now be fixed.

Mr. Campana introduced Michael Lemberg and Tom Carrato from Maximus and asked them to address the challenges they are facing and what is being done to address them.

Mr. Lemberg stated that they are always making changes because there are always areas where they can improve. Some of the additions that Maximus has made include sending the call center to customer enthusiasm training; creating a call center where hard to handle calls are forwarded to leads or supervisors; and instituting an aggressive quality control process for faxes to make sure nothing is lost. In September, the health-e-app fax was reengineered to match the fax to the application. Also, the fax machine was changed to read barcodes in any direction. Currently, there is a 50-60% success rate in linking the fax to the health-e-app.

Mr. Carvajal stated that he is still having problems with several of his cases and asked who he should contact. Mr. Lemberg stated that he should give the information to Ms. Lopez who will forward it to Maximus. Ms. Lopez added that if someone is determined to be ineligible or if there is a delay in enrollment, they have the right to appeal. She added that all first level appeals go to Maximus, but all appeals containing medical bills and second level appeals must go to MRMIB staff. MRMIB staff is currently processing appeals that are three months old.

Dr. Beck asked if a report could be presented at the next meeting that shows the number of appeals and what they relate to. She also asked if the Panel could do anything to increase processing time. Ms. Lopez responded that the system in the office for tracking appeals is very limited and it is difficult to produce data. She added that the only way to increase processing time is to hire more staff. Ms. Cummings added that there is a back log because of staffing reductions and considerable staff turnover. Approximately 50% of Eligibility and Benefits staff have left, so there is also a high number of new staff.

Mr. Carvajal stated that he keeps track of the number of problems with HFP and Medical and it seems the number of problems have increased. Ms. Bonser-Bishop thanked Maximus for hearing the concerns and acting upon them. She asked that the Panel continue to get the Administrative Vendor Performance Report. Sarah Soto-Taylor, Eligibility, Enrollment and Marketing Manager for MRMIB, stated that a better way to communicate with Maximus regarding any problems is through her. She added that there is a mechanism in place to forward problems to Maximus and by contacting her it will also give MRMIB a better sense of what is going on.

Dr. Cortez added that the numbers are commendable. He added that more emphasis should be put on the good side and to celebrate the improvements that have been made to improve the Program and what Maximus has achieved. Ms. Cummings stated that during the transition, Maximus developed a fully updated system because the old system could not be sustained. She added that whenever you develop a new system, it

is not an easy road. The Board and staff feel badly for the difficulties that the subscribers have had, but feel it had to be done. They believe that once the glitches are worked out, it will be beneficial to everyone.

Panel member Barbara Clifton-Zarate stated that she has seen an improvement in customer service and professionalism, but not in the processing of appeals and disenrollment. She also stated that there seems to be a disconnect between Maximus and the plans. She asked if Ms. Soto-Taylor could send her contact information to all Certified Application Assistants (CAA). Ms. Soto-Taylor stated that there were resource constraints and that it would be faster to go through the first level appeal process at Maximus. Ms. Lopez stated that if a child is trying to go to the doctor and has their welcome letter, they need to call the health plan. Panel member Margaret Jacobs stated that subscribers have to be persistent. It took her six phone calls to resolve a simple matter.

Mr. Campana thanked Maximus for their responsiveness and commended them for sending their operators to customer satisfaction training. He added that he would report to the Board that there is a need for additional staff to process appeals.

### **SB 59 Report (Escutia): Using Title XXI Funds for Initiatives to Address the Health Care Needs of Vulnerable Children in California**

Ms. Cummings announced that Lorraine Brown, Deputy Director of Benefits and Quality Monitoring for MRMIB, had been on maternity leave for the past six months and recently had a baby girl. She added that the SB 59 Report began and was written by Ms. Brown and Carolyn Tagupa, Program Research Analyst with MRMIB, would be presenting it. Ms. Tagupa presented a summary of the SB 59 Report and highlighted the key findings. Ms. Jazo-Bajet asked how likely it is that this will become a reality. Ms. Cummings responded that legislation would have to be passed to provide the funding and it would have to be put into the budget.

### **Future Meeting Dates**

Mr. Campana announced the following future meeting dates:

February 1, 2005 in Sacramento  
May 4, 2005 in Sacramento  
August 3, 2005 in Sacramento  
November 2, 2005 in Sacramento